

# Audited Project Financial Statement

---

Project Number: 40075-043  
Loan Number: 3197  
Grant Number: 0435  
Period covered: 01 July 2015 to 30 June 2016

## PAK: National Trade Corridor Highway Investment Program (NTCHIP) – Tranche 3 (Package III)

Prepared by National Highways Authority

For the Asian Development Bank  
Date received by ADB: 30 December 2016

The audited project financial statements are documents owned by the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff. These documents are made publicly available in accordance with ADB's Public Communications Policy 2011 and as agreed between ADB and the National Highway Authority.



Office of the

**Auditor-General of Pakistan**  
Special Sectors Audit Wing  
Constitution Avenue

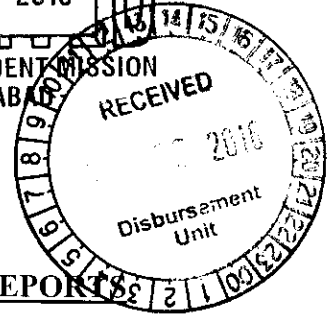
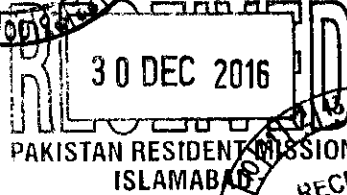
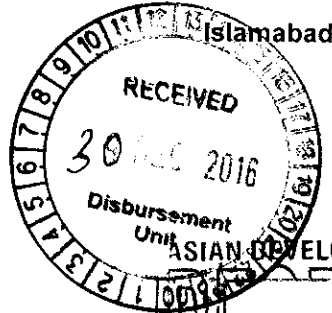
80501

No.PA/FAP/FW/F-31/75

To,

1. The Secretary,  
Economic Affairs Division,  
Government of Pakistan  
Pak Secretariat, Block "C",  
Islamabad
2. The Country Director,  
Asian Development Bank  
Resident Mission, Level-8  
Serena Business Complex Serena Hotel  
Islamabad

Dated: 29-12-2016



Subject: **FOREIGN AIDED PROJECTS (FAPs) AUDIT REPORTS**

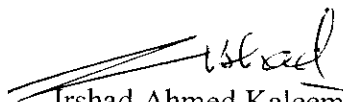
Financial Attest Audits of the following FAP Audit Reports has been conducted by this office:

S.No	Name of Projects	Development Partners
1.	Hassanabdal-Havelian Expressway (E-35)	ADB Loan No. 3121-Pak & Grant No. 0.434, ADB Loan No. 3197 & Grant No. 0.435
2.	Construction of Faisalabad-Khanewal Expressway (Package-II: Gojra-Shorkot Section)	ADB Loan No. 3300-Pak, 2121 (partially for consultancy) & Grant 0440
3.	Flood Emergency Reconstruction Project	ADB Loan No. 2742

2. Certificate/Financial Attest alongwith the Audit Report containing therein the management letter (ML) on the same is attached herewith. The referred is hereby issued simultaneously to the Government (EAD) and to the Asian Development Bank Resident Mission Islamabad.

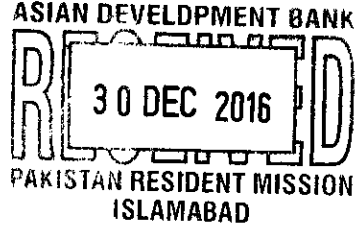
3. The Director General Audit concerned is also being requested to issue a copy of the above mentioned FAP certificate/Audit Report to the concerned Project Manager as well.

**Enclosures: As above**

  
Irshad Ahmed Kaleemi  
Deputy Auditor General  
Special Sector Audit  
Office Telephone #051-9222917  
Office Fax#051-9219191Cc:

Cc:

- i. DG Audit Federal Works, Islamabad, with the request to issue a copy of the above reports to the project management for their further necessary action.
- ii. SPS to DAG Defence Services Wing
- iii. Master File



**Financial Attest Audit Report  
on the Accounts of**

**Hassanabdal-Havelian Expressway  
(E-35) 59.1 KM  
ADB Loan 3121-Pak & Grant No. 0434  
ADB Loan 3197-Pak & Grant No. 0435**

**National Highway Authority  
Ministry of Communications  
Government of Pakistan  
For the Financial Year 2015-16**

**Auditor General of Pakistan Islamabad**

## **PART-I**

- 1. PROJECT OVERVIEW**
- 2. AUDITOR'S REPORT TO MANAGEMENT**
- 3. FINANCIAL STATEMENTS**

## PROJECT OVERVIEW

Name of the Project/Program:	Hassanabdal-Havelian Expressway (E-35) 59.1 km	
	i. ICB-E-35-I: Burhan to Jarikas (km 00+000 to 20+400)	
	ii. ICB-E-35-II: Jarikas to Sarai Saleh(km 20+400 to 39+611)	
	iii. ICB-E-35-III: Sarai Saleh to Samlaila (km 39+611 to 58+711)	
Sponsoring Authority:	Asian Development Bank	
Executing Authority:	National Highway Authority	
Loan No.	i. 3121-Pak and Grant No. 0434-Pak	
	ii. 3197-Pak and Grant No. 0435-Pak	
Revised PC-I Cost:	Rs 30,494.15 million (reduced cost, including Rs 25,920.028 million as ADB loan to the tune of 85% of total cost of the project)	
Date of Commencement:	March 5, 2015 (Package-I & II)	
	January 12, 2016 (Package-III)	
Date of Completion stipulated:	March 4, 2017 (Package-I & II)	
	January 11, 2016 (Package-III)	
Date of Approval by ECNEC:	July 03, 2014	
Loans Closing Date:	3121-Pak:	June 30, 2017
	3197-Pak:	December 10, 2017
Loans utilization status in FY 2015-16:		
Loan No. 3121-Pak & Grant No. 0434	i. Loan share:	Rs 769.253 million
	ii. Grant share:	Rs 4,645.906 million
	iii. GoP share:	<u>Rs 1,016.874 million</u>
	Total	<u>Rs 6,432.033 million</u>
Progressive Expenditure up to June, 2016:	Rs 8,227.664 million	
Loan No. 3197-Pak & Grant No. 0435	i. Loan share:	Rs 1,027.485 million
	ii. Grant share:	Rs 1,217.399 million
	iii. GoP share:	<u>Rs 262.033 million</u>
	Total	<u>Rs 2,506.917 million</u>
Progressive Expenditure up to June, 2016:	Rs 2,506.917 million	

## AUDITOR'S REPORT TO THE MANAGEMENT

The Directorate General Audit Works (Federal), Islamabad has audited the accompanying Financial Statements, as of 30<sup>th</sup> June, 2016, of the Project "Hassanabdal-Havelian Expressway (E-35) 59.1 km", financed through ADB Loans 3121-Pak & Grant No. 0434 and 3197-Pak & Grant No. 0435.

The preparation of Financial Statements is the responsibility of the Management of the Project. Responsibility of Audit is to express an opinion on the accompanying Statements based on the audit exercise.

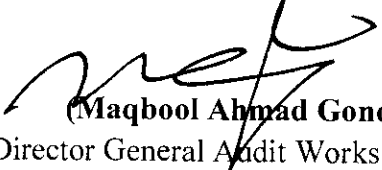
The audit exercise was carried out in accordance with the International Standards of Supreme Audit Institutions (ISSAI). The Standards require the Audit to obtain reasonable assurance that the Financial Statements are free of material misstatements. This audit is based on a test check basis and includes findings, evidence supporting the amounts and disclosures in the Financial Statements. It also includes assessing the Accounting Principles used by the Management in preparing Financial Statements and significant estimates made by the Management as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Management's policy is to prepare the accompanying statements in the format agreed between the Asian Development Bank and the Government of Pakistan, on a cash receipts and disbursement basis in which revenue is recognized when received and expenses are recognized when paid.

In our opinion:

- A. The aforementioned Financial Statements and appended Notes, that were also subject to audit, fairly present in all material respects the financial position of the Project "Hassanabdal-Havelian Expressway (E-35) 59.1 km" Loan ADB 3121-Pak & Grant No. 0434 and ADB 3197-Pak & Grant No. 0435 and results of its operations for the period ended 30<sup>th</sup> June, 2016, in conformity with Cash Basis International Public Sector Accounting Standards,
- B. The management of the Project has utilized all proceeds of the loan withdrawn from the Asian Development Bank only for the purposes of the Project as agreed between the Asian Development Bank and Government of Pakistan in accordance with the Loan Agreement; and no proceeds of the loan have been utilized for any other purposes.

Dated: 29<sup>th</sup> December, 2016  
Islamabad

  
(Maqbool Ahmad Gondal)  
Director General Audit Works (Federal)

**FINANCIAL STATEMENTS**

**HASSANABDAL-HAVELIAN EXPRESSWAY (E-35) 59.1 KM**

**ADB LOAN 3121-PAK & Grant No. 0434**

**ADB LOAN 3197-PAK & Grant No. 0435**

**(NATIONAL HIGHWAY AUTHORITY)**

**FOR THE YEAR ENDED 30<sup>th</sup> JUNE, 2016**



**FINANCIAL STATEMENTS**  
**HASSANABDAL-HAVELIAN EXPRESSWAY (E-35) 59.1 KM**  
**FOR THE YEAR ENDED 30<sup>th</sup> JUNE, 2016**

**Loan 3121 & Grant 0434**

	<b>Page No.</b>
Statement of Cash Receipts and Payments	07
Statement of Comparison of Budget and Actual Amounts	08
Notes to Financial Statements	9-10
Statement of Withdrawal Applications	11-15
Reconciliation Statement	16
Management Assertion	17

**Loan 3197 & Grant 0435**

Statement of Cash Receipts and Payments	18
Statement of Comparison of Budget and Actual Amounts	19
Notes to Financial Statements	20
Statement of Withdrawal Applications	21-24
Reconciliation Statement	25
Management Assertion	26



**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS**  
**For ADB Loan No. 3121-PAK & Grant 0434: Hassanabdal - Havelian - Mansehra Project (59km) E-35**  
**For the year ended June30, 2016**

Note	FY 2015-16 (PKR Million)			FY 2014-15 (PKR Million)			Difference of Budget and Actual
	Actual	Original Budget	Revised Budget	Actual	Original Budget	Revised Budget	
<b>Cash in Flows</b>							
4	769.253	1,000.000	1,000.000	1,628.466	2,500.000	-	(871.534)
	4,645.906						
5	1,016.874	1,300.000	1,300.000	167.165	300.000	-	(132.835)
<b>Total Receipts</b>	<b>6,432.033</b>	<b>2,300.000</b>	<b>2,300.000</b>	<b>1,795.631</b>	<b>2,800.000</b>	<b>-</b>	<b>(1,004.369)</b>
<b>Cash Outflows</b>							
6	5,828.174			1,757.154			
7							
10	335.396						
9	157.891						
11	21.073						
8	4.775			4.045			
12	34.319						
13	50.405			34.432			
<b>Total Payments</b>	<b>6,432.033</b>	<b>-</b>	<b>-</b>	<b>1,795.631</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Cash Flows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

*Sy. Muneer Ahmad*  
 ACCOUNTS OFFICER  
 National Highway Authority  
 (Punjab) Islamabad

*Sy. Farid Mehtab Khan*  
 Dy. Director (Accounts) AP  
 National Highway Authority  
 ISLAMABAD.

*Sy. Muneer Ahmad*  
 AD (Accounts) AP

**For ADB Loan No. 3121-PAK & Grant 0434: Hassanabdal - Havelian -  
Mansehra Project (59km) E-35  
Notes to the Financial Statements  
For the year ended June 30, 2016**

**1. Nature and Status of the Project**

Hassanabdal - Havelian - Mansehra E-35 Project ("the project") is under taken by the National Highway Authority ("the authority"). The E-35 Project will drastically reduced the traffic congestion particularly heavy vehicular traffic for KPK. The project is financed by Government of Pakistan (GOP) in collaboration with Asian Development Bank (ADB) through loan agreement. This represent the Loan USD 200 millions sanctioned by ADB through GOP for NHA. As per Aide-memoir dated 17.09.2014. The loan amount shall be paid back to ADB in 25 Years starting after Gestation period of 5 years including Interest Rate 17% per annum

**2. Management Assertion / Certificate by Project Management on application of Funds**

It is certify that fund have been applied / expenditure has been incurred for the pupose intended in the loan agreement

**2.1 Management Assertion**

The proceeds of the withdrawl of ADB have been utilized in manner stipulated Activity Agreement with ADB.

**3. Accounting Convention and Basis for Preparation**

The Financial statements have been prepared in accordance with cash basis IPSAS financial reporting under cash basis of accounting. The accounting policies have been applied consistantly through out the period.

	<b>FY 2015-16</b>	<b>FY 2014-15</b>
	<b>PKR in Million</b>	<b>PKR in Million</b>
<b>4 ADB Loan 3121</b>	769.253	1,628.466
<b>Total</b>	<u><u>769.253</u></u>	<u><u>1,628.466</u></u>
 ADB Grant 0434	4,645.906	-
<b>Total</b>	<u><u>4,645.906</u></u>	<u><u>-</u></u>
<b>Total External Assistance</b>	<b>5,415.159</b>	
<b>5 Government Counterpart Fund</b>		
GOP Fund	1,016.874	167.165
<b>Total</b>	<u><u>1,016.874</u></u>	<u><u>167.165</u></u>
 <b>6 Civil Works</b>		
Expenditure from ADB Funds	5,308.159	1,628.466
Expenditure from GoP Funds	520.015	128.688
<b>Total</b>	<u><u>5,828.174</u></u>	<u><u>1,757.154</u></u>

*(Signature)*  
AD

*(Signature)*  
**Dy. Director (Accounts) AP**  
National Highway Authority  
ISLAMABAD.

*(Signature)*  
AD (Accounts) AP

**7 Imprest & Advances**

Expenditure from GoP Funds  
**Total**

-	-
<u>-</u>	<u>-</u>

**8 Security / FC Hiring**

Expenditure from GoP Funds  
**Total**

4.775	4.045
<u>4.775</u>	<u>4.045</u>

**9 Consulting Services**

Expenditure from ADB Funds  
Expenditure from GoP Funds  
**Total**

107.000	-
50.891	-
<u>157.891</u>	<u>-</u>

**10 Transfer of Funds (R/M)**

Expenditure from GoP Funds  
**Total**

335.396	-
<u>335.396</u>	<u>-</u>

**11 Land / Utilities**

Expenditure from GoP Funds  
**Total**

21.073	-
<u>21.073</u>	<u>-</u>

**12 Inter office Current Account**

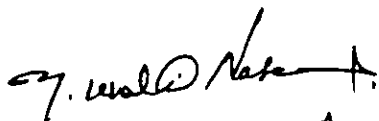
Expenditure from GoP Funds  
**Total**

34.319	-
<u>34.319</u>	<u>-</u>

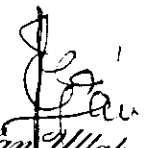
**13 Establishment**

Salary (GOP)  
Other Establishment Exp (GOP)  
**Total**

2.048	25.200
48.357	9.232
<u>50.405</u>	<u>34.432</u>



**AUDIT OFFICER**  
Dte. General Audit Works  
(Federal) Islamabad

  
**Irfan Ullah Jan**  
Dy. Director (Accounts) AP  
National Highway Authority  
ISLAMABAD.

  
AD (Accounts) AP

**Detail of Summary Sheet (AP Section)**  
**Hassanabdal Haevlian Expressway Project (E-35) Loan No. 3121-PAK**  
**For the Year ended 30th June, 2016**

Sr No.	Date	Application No.	Contract No.	Amount Claimed			
				LC	FC	Rate	Net (Equ. Rs.)
1	07.07.15	NH003	E-35 (Pkg-I)	230,300,296			230,300,296
2	07.07.15	NH004	E-35 (Pkg-II)	200,183,090			200,183,090
3	08.07.15	NH005	E-35	2,071,931			2,071,931
4	04.08.15	NH006	E-35		23,501.65	101.50	2,385,417
5	04.08.15	NH007	E-35	758,625			758,625
6	04.08.15	NH008	E-35		4,377.50	101.50	444,316
7	11.08.15	NH009	E-35	1,409,028			1,409,028
8	12.08.15	NH010	E-35		16,264.75	101.50	1,650,872
9	12.08.15	NH011	E-35	215,263			215,263
10	12.08.15	NH012	E-35	97,920.00			97,920
11	12.08.15	NH013	E-35		176,260.25	101.50	17,890,415
12	12.08.15	NH014	E-35	3,739,023			3,739,023
13	12.08.15	NH015	E-35	1,521,500			1,521,500
14	21.08.15	NH016	E-35		3,493.50	101.50	354,590
15	21.08.15	NH017	E-35	40,800			40,800
16	24.08.15	NH018	E-35	1,650,704			1,650,704
17	26.08.2015	NH019	E-35 (Pkg-I)	272,401,992			272,401,992
18	27.08.2015	NH020	E-35 (Pkg-II)	210,096,011			210,096,011
19	02.09.2015	NH021	E-35		39,511.35	101.52	4,011,192
20	21.09.2015	NH022	E-35	1,496,357			1,496,357
21	21.09.2015	NH023	E-35 (Pkg-I)	200,242,828			200,242,828
22	23.09.2015	NH024	E-35 (Pkg-II)	174,350,518			174,350,518
23	09.10.2015	NH025	E-35		83,911.00	104.10	8,735,135
24	09.10.2015	NH026	E-35	6,365,700			6,365,700
25	09.10.2015	NH027	E-35	1,963,328			1,963,328
26	30.10.2015	NH028	E-35 (Pkg-I)	359,702,679			359,702,679
27	10.11.2015	NH029	E-35 (Pkg-II)	187,910,572			187,910,572
28	11.11.2015	NH030	E-35	1,221,875			1,221,875
29	27.11.2015	NH031	E-35 (Pkg-I)	246,873,601			246,873,601
30	30.11.2015	NH032	E-35		24,174.00	105.00	2,538,270
31	30.11.2015	NH033	E-35	2,568,000			2,568,000
32	30.11.2015	NH034	E-35	917,400			917,400
33	02.12.2015	NH035	E-35 (Pkg-II)	338,740,915			338,740,915
34	11/12/2015	NH036	E-35		22,654	105.00	2,378,660
35	11/12/2015	NH037	E-35	2,916,000			2,916,000
36	11/12/2015	NH038	E-35	805,000			805,000
37	15.12.2015	NH039	E-35 (Pkg-II)	125,679,980			125,679,980
38	15.12.2015	NH040	E-35 (Pkg-I)	176,254,694			176,254,694
39	13.01.2016	NH041	E-35	3,176,313			3,176,313
40	29.01.2016	NH042	E-35		21,500	104.50	2,246,740
41	29.01.2016	NH043	E-35	2,909,534			2,909,534
42	29.01.2016	NH044	E-35	625,000			625,000
43	04.02.2016	NH045	E-35 (Pkg-I)	343,708,618			343,708,618
44	10.02.2016	NH046	E-35 (Pkg-II)	166,490,370			166,490,370
45	11.02.2016	NH047	E-35	3,900,055			3,900,055
46	15.02.2016	NH048	E-35		21,500	104.10	2,238,140
47	15.02.2016	NH049	E-35	3,169,451			3,169,451
48	15.02.2016	NH050	E-35	662,900			662,900
49	26.02.2016	NH051	E-35 (Pkg-I)	97,249,180			97,249,180
50	08.03.2016	NH052	E-35 (Pkg-II)	82,623,524			82,623,524
51	29.03.2016	NH053	E-35	1,622,225			1,622,225
52	04.04.2016	NH054	E-35 (Pkg-I)	86,031,722			86,031,722
53	11.04.2016	NH055	E-35	1,695,856			1,695,856
54	18.04.2016	NH056	E-35		2,392	104.30	249,475
55	18.04.2016	NH057	E-35	174,000			174,000
56	18.04.2016	NH058	E-35		22,696	104.30	2,367,177
57	18.04.2016	NH059	E-35	3,118,701			3,118,701
58	18.04.2016	NH060	E-35	1,604,047			1,604,047
59	02.05.2016	NH061	M-4	2,100,618			2,100,618
60	04.05.2016	NH062	E-35 (Pkg-I)	49,708,646			49,708,646

*[Signature]*  
 Director (Accounts) AP  
 National Highway Authority  
 ISLAMABAD.

*[Signature]*  
 Director (Accounts) AP  
 National Highway Authority  
 ISLAMABAD.

*[Signature]*  
 AD (Accounts) - AP

**Detail of Summary Sheet (AP Section)**  
**Hassanabdal Haevlian Expressway Project (E-3S) Loan No. 3121-PAK**

61	11.05.2016	NH063	E-35 (Pkg-II)	47,207,978			47,207,978
62	12.05.2016	NH064	E-35	1,642,982			1,642,982
63	17.05.2016	NH065	M-4	1,612,641			1,612,641
64	03.06.2016	NH066	E-35 (Pkg-I)	88,303,646			88,303,646
65	22.06.2016	NH067	E-35		5,703.53	104.10	593,738
66	22.06.2016	NH068	E-35	9,392,200			9,392,200
67	22.06.2016	NH069	E-35	6,053,709			6,053,709
68	23.06.2016	NH070	E-35	1,247,196			1,247,196
69	27.06.2016	NH071	E-35 (Pkg-II)	67,084,358			67,084,358
70	28.06.2016	NH072	M-4	1,688,610			1,688,610
71	28.06.2016	NH073	E-35 (Pkg-I)	88,019,085			88,019,085
Adjustment for financial year 2015-16 as accural				(105,747,342)			(105,747,342)
Adjustment agaisnt the Grant 0434				(3,088,403,075)			(3,088,403,075)
<b>Total Amount</b>							<b>769,252,515</b>

*[Signature]*  
**AUDITOR OFFICER**  
 Dte. General Audit Works  
 (Federal) Islamabad

*[Signature]*  
 Dy. Director (Accounts) AP  
 National Highway Authority  
 ISLAMABAD.

*[Signature]*  
 ADL (Accounts) - AP

**Detail of Summary Sheet (AP Section)**  
**Hassanabdal Haevlian Expressway Project (E-35) Grant No. 0434-PAK**  
**For the Year Ended 30th June, 2016**

Sr No.	Date	Application No.	Contract No.	Amount Claimed	
				LC	Net (Equil. Rs.)
1		NH001	<b>Verious IPCs</b>	1,182,746,810	<b>1,182,746,810</b>
2	30.10.2015	NH002	E-35 (Pkg-II)	258,922,194	258,922,194
3	10.11.2015	NH003	E-35 (Pkg-II)	135,262,316	135,262,316
4	27.11.2015	NH004	E-35 (Pkg-I)	177,705,250	177,705,250
5	02.12.2015	NH005	E-35 (Pkg-II)	243,833,439	243,833,439
6	15.12.2015	NH006	E-35 (Pkg-II)	90,467,317	90,467,317
7	15.12.2015	NH007	E-35 (Pkg-I)	126,872,149	126,872,149
8	04.02.2016	NH008	<b>Verious IPCs</b>	505,340,729	<b>505,340,729</b>
9	08.02.2016	NH009	E-35 (Pkg-I)	247,409,304	247,409,304
10	10.02.2016	NH010	E-35 (Pkg-II)	119,843,567	119,843,567
11	29.02.2016	NH011	E-35 (Pkg-I)	249,849,670	249,849,670
12	10.03.2016	NH012	E-35 (Pkg-II)	212,273,876	212,273,876
13		NH013	E-35 (Pkg-I)	221,030,116	221,030,116
14	05.05.2016	NH014	E-35 (Pkg-I)	127,709,962	127,709,962
15	10.05.2016	NH015	E-35 (Pkg-II)	121,285,319	121,285,319
16			E-35 (Pkg-I)	226,867,074	226,867,074
17		NH017	E-35 (Pkg-II)	172,351,117	172,351,117
18	29.06.2016	NH018	E-35 (Pkg-I)	226,135,990	226,135,990

4,645,906,199

*M. Usaid Nadeem*  
 ADDITIONAL CHIEF  
 Dtd. General Audit Works  
 (For Islamabad)

*Jafarullah Jan*  
 Dy. Director (Accounts) AP  
 National Highway Authority  
 ISLAMABAD.

*M. Usaid Nadeem*  
 ADD (ACCOUNTS)-AP



Asain Development Bank

For ADB Loan No. 3121-PAK: Hassanabdal - Havelian - Mansehra Project (59km) E-35 for Package-I & II  
For the Year Ended June, 30, 2016

ADB Loan PK-3121

W/Appi. No.	Appl. Amount		Amount Disbursed		Amount Disbursed In PKR	US\$ Equivalent	Value Date
	PRS	(1,141,254,835.00)	PRS	(635,914,106.00)	(635,914,106.00)	(6,033,008.68)	20-Nov-15
				(505,340,729.00)	(505,340,729.00)	(4,824,826.32)	19-Feb-16
NH003	PRS	230,300,296.00	PRS	230,300,296.00	230,300,296.00	2,265,252.53	15-Jul-15
NH004	PRS	200,183,090.00	PRS	200,183,090.00	200,183,090.00	1,969,216.74	14-Jul-15
NH005	PRS	2,071,931.00	PRS	2,071,931.00	2,071,931.00	20,381.74	14-Jul-15
NH006	US\$	23,501.65	US\$	23,501.65	2,385,417.48	23,501.65	24-Aug-15
NH007	PRS	758,625.00	PRS	758,625.00	758,625.00	7,449.94	18-Aug-15
NH008	US\$	4,377.50	US\$	4,377.50	444,316.25	4,377.50	24-Aug-15
NH009	PRS	1,409,028.00	PRS	1,409,028.00	1,409,028.00	13,837.10	18-Aug-15
NH010	US\$	16,264.75	US\$	16,264.75	1,650,872.13	16,264.75	24-Aug-15
NH011	PRS	215,263.00	PRS	215,263.00	215,263.00	2,100.92	25-Aug-15
NH012	PRS	97,920.00	PRS	97,920.00	97,920.00	955.68	25-Aug-15
NH013	US\$	176,260.25	US\$	176,260.25	17,890,415.38	176,260.25	25-Aug-15
NH014	PRS	3,739,023.00	PRS	3,739,023.00	3,739,023.00	36,001.37	31-Aug-15
NH015	PRS	1,521,500.00	PRS	1,521,500.00	1,521,500.00	14,654.85	28-Aug-15
NH016	US\$	3,493.50	US\$	3,493.50	354,590.25	3,493.50	27-Aug-15
NH017	PRS	40,800.00	PRS	40,800.00	40,800.00	392.98	28-Aug-15
NH018	PRS	1,650,704.00	PRS	1,650,704.00	1,650,704.00	15,893.89	31-Aug-15
NH019	PRS	272,401,992.00	PRS	272,401,992.00	272,401,992.00	2,616,804.22	3-Sep-15
NH020	PRS	210,096,011.00	PRS	210,096,011.00	210,096,011.00	2,018,267.65	3-Sep-15
NH021	US\$	39,511.35	US\$	39,511.35	4,011,192.25	39,511.35	15-Sep-15
NH022	PRS	1,496,357.00	PRS	1,496,357.00	1,496,357.00	14,346.69	28-Sep-15
NH023	PRS	200,242,828.00	PRS	200,242,828.00	200,242,828.00	1,919,877.40	28-Sep-15
NH024	PRS	174,350,518.00	PRS	174,350,518.00	174,350,518.00	1,669,681.87	1-Oct-15
NH025	US\$	83,911.00	US\$	83,911.00	8,735,135.10	83,911.00	16-Oct-15
NH026	PRS	6,365,700.00	PRS	6,365,700.00	6,365,700.00	61,045.41	19-Oct-15
NH027	PRS	1,963,328.00	PRS	1,963,328.00	1,963,328.00	18,827.81	19-Oct-15
NH028	PRS	100,780,485.00	PRS	100,780,485.00	100,780,485.00	956,041.87	5-Nov-15
NH029	PRS	52,648,256.00	PRS	52,648,256.00	52,648,256.00	499,622.35	16-Nov-15
NH030	PRS	1,221,875.00	PRS	1,221,875.00	1,221,875.00	11,595.88	17-Nov-15
NH031	PRS	69,168,351.00	PRS	69,168,351.00	69,168,351.00	656,041.44	3-Dec-15
NH032	US\$	24,174.00	US\$	24,174.00	2,538,270.00	24,174.00	4-Dec-15
NH033	PRS	2,568,000.00	PRS	2,568,000.00	2,568,000.00	24,368.58	7-Dec-15
NH034	PRS	917,400.00	PRS	917,400.00	917,400.00	8,705.51	7-Dec-15
NH035	PRS	94,907,476.00	PRS	94,907,476.00	94,907,476.00	911,791.60	9-Dec-15
NH036	US\$	22,654.00	US\$	22,654.00	2,378,659.50	22,654.00	18-Dec-15
NH037	PRS	2,916,000.00	PRS	2,916,000.00	2,916,000.00	27,855.45	21-Dec-15
NH038	PRS	805,000.00	PRS	805,000.00	805,000.00	7,689.86	21-Dec-15
NH039	PRS	35,212,663.00	PRS	35,212,663.00	35,212,663.00	336,373.26	21-Dec-15
NH040	PRS	49,382,545.00	PRS	49,382,545.00	49,382,545.00	471,732.79	21-Dec-15
NH041	PRS	3,176,313.00	PRS	3,176,313.00	3,176,313.00	30,289.46	21-Jan-16
NH042	US\$	21,500.00	US\$	21,500.00	2,246,739.55	21,500.00	8-Feb-16
NH043	PRS	2,909,534.00	PRS	2,909,534.00	2,909,534.00	27,794.77	11-Feb-16
NH044	PRS	625,000.00	PRS	625,000.00	625,000.00	5,980.25	8-Feb-16
NH045	PRS	96,299,314.00	PRS	96,299,314.00	96,299,314.00	920,476.34	12-Feb-16
NH046	PRS	46,646,803.00	PRS	46,646,803.00	46,646,803.00	445,906.39	16-Feb-16
NH047	PRS	3,900,055.00	PRS	3,900,055.00	3,900,055.00	37,241.06	24-Feb-16
NH048	US\$	21,500.00	US\$	21,500.00	2,238,139.59	21,500.00	19-Feb-16
NH049	PRS	3,169,451.00	PRS	3,169,451.00	3,169,451.00	30,273.41	22-Feb-16
NH050	PRS	662,900.00	PRS	662,900.00	662,900.00	6,329.93	24-Feb-16
NH051	PRS	97,249,180.00	PRS	97,249,180.00	97,249,180.00	928,918.11	3-Mar-16
NH052	PRS	82,623,524.00	PRS	82,623,524.00	82,623,524.00	790,078.10	17-Mar-16
NH053	PRS	1,622,225.00	PRS	1,622,225.00	1,622,225.00	15,504.72	11-Apr-16
NH054	PRS	86,031,722.00	PRS	86,031,722.00	86,031,722.00	822,264.47	11-Apr-16
NH055	PRS	1,695,856.00	PRS	1,695,856.00	1,695,856.00	16,197.13	20-Apr-16
NH056	US\$	2,392.00	US\$	2,392.00	249,475.17	2,392.00	21-Apr-16
NH057	PRS	174,000.00	PRS	174,000.00	174,000.00	1,662.44	22-Apr-16
NH058	US\$	22,696.00	US\$	22,696.00	2,367,177.16	22,696.00	22-Apr-16
NH059	PRS	3,118,701.00	PRS	3,118,701.00	3,118,701.00	29,792.68	25-Apr-16
NH060	PRS	1,604,047.00	PRS	1,604,047.00	1,604,047.00	15,323.32	25-Apr-16
NH061	PRS	2,100,618.00	PRS	2,100,618.00	2,100,618.00	20,080.26	9-May-16
NH062	PRS	49,708,646.00	PRS	49,708,646.00	49,708,646.00	475,282.86	12-May-16
NH063	PRS	47,207,978.00	PRS	47,207,978.00	47,207,978.00	451,102.18	17-May-16
NH064	PRS	1,642,982.00	PRS	1,642,982.00	1,642,982.00	15,697.59	19-May-16
NH065	PRS	1,612,641.00	PRS	1,612,641.00	1,612,641.00	15,398.79	26-May-16
NH066	PRS	88,303,646.00	PRS	88,303,646.00	88,303,646.00	844,644.01	9-Jun-16
NH070	PRS	1,247,196.00	PRS	1,247,196.00	1,247,196.00	11,916.15	30-Jun-16
NH071	PRS	67,084,358.00	PRS	67,084,358.00	67,084,358.00	640,947.85	30-Jun-16
REF	PRS	(546,832,704.00)	PRS	(546,832,704.00)	(546,832,704.00)	(5,187,880.59)	20-Nov-15
					769,252,515.79	7,592,430.06	

*Signature*  
10

*Signature*  
Dy. Director (Accounts) AP  
National Highway Authority  
ISLAMABAD.

*Signature*  
AD (Accounts) - AP

**NATIONAL HIGHWAY AUTHORITY**  
**For ADB Loan No. 3121-PAK: Hassanabdal - Havelian - Mansehra Project (59km)**  
**for Package-I & II**  
**For the Year Ended June, 30, 2016**  
**ADB Grant PK-0434**

E-35

W/Appl. No.	Appl. Amount	Amount Disbursed (PKR)	US\$ Equivalent	Value Date	Acctg Month
	PRS 1,182,746,810.00	PRS 1,182,746,810.00	11,205,559.54	20-Nov-15	201511
NH003	PRS 258,922,194.00	PRS 258,922,194.00	2,456,101.25	15-Jul-15	201507
NH004	PRS 135,262,316.00	PRS 135,262,316.00	1,282,107.26	14-Jul-15	201507
NH005	PRS 177,705,250.00	PRS 177,705,250.00	1,683,612.03	14-Jul-15	201507
NH006	PRS 243,833,439.00	PRS 243,833,439.00	2,309,028.78	24-Aug-15	201508
NH007	PRS 90,467,317.00	PRS 90,467,317.00	862,620.42	18-Aug-15	201508
NH008	PRS 126,872,149.00	PRS 126,872,149.00	1,209,746.36	24-Aug-15	201508
NH009	PRS 505,340,729.00	PRS 505,340,729.00	4,821,953.52	18-Aug-15	201508
NH010	PRS 247,409,304.00	PRS 247,409,304.00	2,361,902.66	24-Aug-15	201508
NH011	PRS 119,843,567.00	PRS 119,843,567.00	1,144,091.33	25-Aug-15	201508
NH012	PRS 249,849,670.00	PRS 249,849,670.00	2,384,061.74	25-Aug-15	201508
NH013	PRS 212,273,876.00	PRS 212,273,876.00	2,027,448.67	25-Aug-15	201508
NH014	PRS 221,030,116.00	PRS 221,030,116.00	2,109,065.99	31-Aug-15	201508
NH015	PRS 127,709,962.00	PRS 127,709,962.00	1,219,188.18	28-Aug-15	201508
NH016	PRS 121,285,319.00	PRS 121,285,319.00	1,157,855.07	27-Aug-15	201508
NH017	PRS 226,867,074.00	PRS 226,867,074.00	2,166,829.74	28-Aug-15	201508
NH018	PRS 172,351,117.00	PRS 172,351,117.00	1,645,670.93	31-Aug-15	201508
NH019	PRS 226,135,990.00	PRS 226,135,990.00	2,159,228.40	3-Sep-15	201509
<b>TOTAL</b>			<b>4,645,906,199.00</b>	<b>44,206,071.87</b>	

*Sy. Usaid Nadeem*  
**AUDIT OFFICER**  
**Dte. General Audit Works**  
**(Federal) Islamabad**

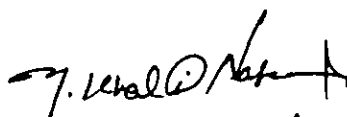
*Irfan Nadeem*  
**Dr. Director (Accounts) AP**  
**National Highway Authority**  
**ISLAMABAD.**


*M. R. D.*  
**AD (Accounts) - AP**

**NATIONAL HIGHWAY AUTHORITY**  
**For ADB Loan No. 3121-PAK and Grant No. 0434: Hassanabdal - Havelian - Mansehra**  
**Project (59km) E-35**  
**Reconciliation Statement**  
**For the Year Ended June, 30, 2016**

(Rs. In Million)

Balance as ADB Documents Confirmation against Loan	769.253	
Balance as ADB Documents Confirmation against Grant	4,645.906	5,415.159
 Booked by NHA Not Appearing in ADB Document	 -	 -
 Expenditure as per withdrawl Application of Loan	 769.253	
Expenditure as per withdrawl Application of Grant	4,645.906	5,415.159

  
**AUDIT OFFICER**  
**Dto. General Audit Works**  
 Islamabad

  
**Irfan Ullah Jan**  
 Dy. Director (Accounts) AR  
 National Highway Authority  
 ISLAMABAD.

  
 AD (Accounts) AR

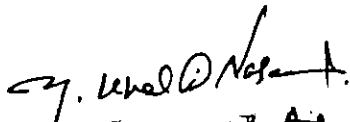
**NATIONAL HIGHWAY AUTHORITY**  
**For ADB Loan No. 3121-PAK and Grant No. 0434: Hassanabdal -**  
**Havelian - Mansehra Project (59km) E-35**  
**FOR THE YEAR ENDED 30TH JUNE, 2016**

**1 MANAGEMENT ASSERTION**


The proceeds of the withdrawals of Loan and Grant have been utilized in the manner stipulated in the Loan and Grant Agreement with Asian Development Bank.

**2 ACCOUNTING CONVENTION**

Financial statements have been prepared under historic cost convention in accordance with approved accounting standards

  
**AUDIT OFFICER**  
Dy. General Accounts Officer

  
**Irfan Ullah Jan**  
**Dy. Director (Accounts)**

  
Dy. Director (Accounts) - AP

*Irfan Ullah Jan*  
Dy. Director (Accounts) AP  
National Highway Authority  
ISLAMABAD.



**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS**  
**For ADB Loan No. 3197-PAK & Grant 0435 : Hassanabdal - Havelian - Mansehra Project (59km) E-35 for Package-III**  
**For the year ended June30, 2016**

Note	FY 2015-16 (PKR Million)			FY 2014-15 (PKR Million)			Difference of Budget and Actual
	Actual	Original Budget	Revised Budget	Difference of Original Budget and	Actual	Original Budget	
<b>Cash in Flows</b>							
4	1,027.485	1,000.000	1,000.000	27.485	-	-	-
ADB Loan 3197							
ADB Grant 0435	1,217.399						
5	262.033	1,300.000	1,300.000	(1,037.967)	-	-	-
Government Funds							
<b>Total Receipts</b>	<b>2,506.917</b>	<b>2,300.000</b>	<b>2,300.000</b>	<b>(1,010.482)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Outflows</b>							
6	2,434.745						
Civil Works inc. Escalation							
Imprest & Advance							
7	72.172						
Transfer of Fund (R/M)							
Consulting Services							
Land / Utilities							
Security / FC Hiring							
Inter Office Current Account							
Establishment							
<b>Total Payments</b>	<b>2,506.917</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Cash Flows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

*Sy. Wali Nadeem*  
**AUDIT OFFICER**  
 Dte. General Audit Works  
 (Federal) Islamabad

*Sy. Iqbal Jinnah*  
 Dy. Director (Accounts)  
 National Highway Authority  
 ISLAMABAD

*Sy. Iqbal Jinnah*  
 Dy. Director (Accounts)  
 National Highway Authority  
 ISLAMABAD

**For ADB Loan No. 3197-PAK & Grant 0435 : Hassanabdal - Havelian -  
Mansehra Project (59km) E-35 for Package-III  
Notes to the Financial Statements  
For the year ended June 30, 2016**

**1. Nature and Status of the Project**

Hassanabdal - Havelian - Mansehra E-35 Project ("the project") is under taken by the National Highway Authority ("the authority"). The E-35 Project package-III will drastically reduced the traffic congestion particularly heavy vehicular traffic for KPK. The project is financed by Government of Pakistan (GOP) in collaboration with Asian Development Bank (ADB) through loan agreement and grant. This represent the Loan USD 87.800 millions and Grant in USD \$ 39.200 sanctioned by ADB through GOP for NHA. As per Aide-memoir dated 17.09.2014 and dated 01-09-2015. The loan amount shall be paid back to ADB in 25 Years starting after Gestation period of 5 years including Interest Rate 15% per annum

**2. Management Assertion / Certificate by Project Management on application of Funds**

It is certified that fund have been applied / expenditure has been incurred for the purpose intended in the loan agreement

**2 Management Assertion**

The proceeds of the withdrawl of ADB have been utilized in manner stipulated Activity Agreement with ADB.

**3. Accounting Convention and Basis for Preparation**

The Financial statements have been prepared in accordance with cash basis IPSAS financial reporting under cash basis of accounting. The accounting policies have been applied consistantly through out the period.

	FY 2015-16	FY 2014-15
4 ADB- Loan 3197	1,027.485	-
<b>Total</b>	<u><u>1,027.485</u></u>	<u><u>-</u></u>
ADB Grant 0435	1,217.399	-
<b>Total</b>	<u><u>1,217.399</u></u>	<u><u>-</u></u>
<b>Total External Assistance</b>	<u><u>2,244.884</u></u>	
5 <b>Government Counterpart Fund</b>		
GOP Fund	262.033	-
<b>Total</b>	<u><u>262.033</u></u>	<u><u>-</u></u>
6 <b>Civil Works</b>		
Expenditure from ADB Funds	2,244.884	-
Expenditure from GoP Funds	189.861	-
<b>Total</b>	<u><u>2,434.745</u></u>	<u><u>-</u></u>
7 <b>Transfer of Funds (R/M)</b>		
Expenditure from GoP Funds	72.172	-
<b>Total</b>	<u><u>72.172</u></u>	<u><u>-</u></u>

*M. Usama Naseem*  
**AUDIT OFFICER**  
Dte. General Audit Works  
(Federal) Islamabad

*Insan Ullah Jan*  
**Dy. Director (Accounts) AP**  
National Highway Authority  
ISLAMABAD.

*M. R. Khan*  
**AD (Accounts) AP**

**Detail of Summary Sheet (AP Section)**  
**Hassanabdal Haevlian Expressway Project (E-35) Loan No. 3197-PAK**  
**For the Year Ended 30th June- 2016**

Sr No.	Date	Application No.	Contract No.	Amount Claimed			
				LC	FC	Rate	Net (Equil. Rs.)
1	01.12.2015	NH001	E-35 (Pkg-III)	343,331,979			343,331,979
2	29.05.2016	NH002	E-35 (Pkg-III)	684,153,173			684,153,173

**1,027,485,152**

*sy. wali N...*

**AUDIT OFFICER**  
Dte. General Audit Works  
(Federal) Islamabad

*[Signature]*  
AD (Accounts) AP

*[Signature]*  
Dy. Director (Accounts) AP  
National Highway Authority  
ISLAMABAD.



**Detail of Summary Sheet (AP Section)**  
**Hassanabdal Haevlian Expressway Project (E-35) Grant No. 0435-PAK**  
**For the year Ended 30th June- 2016**

Sr No.	Date	Application No.	Contract No.	Amount Claimed			
				LC	FC	Rate	Net (Equi. Rs.)
1	01.12.2015	NH001	E-35 (Pkg-III)	406,791,445			406,791,445
2	29.05.2016	NH002	E-35 (Pkg-III)	810,608,025			810,608,025
							<b>1,217,399,469</b>

*Signature*

*Signature*

*Signature*  
AD (ACCOUNTS) AP

**AUDIT OFFICER**  
**Dte. General Audit Works**  
**(Islamabad)**

*Irfan Allah Jan*  
**Dy. Director (Accounts) AP**  
**National Highway Authority**  
**ISLAMABAD.**

Asain Development Bank  
 For ADB Loan No. 3197-PAK & Grant 0435 : Hassanabdal - Havelian - Mansehra Project  
 (59km) E-35 for Package-III  
 For the Year Ended June, 30, 2016  
 ADB Loan PK-3197

W/Appi No.	Appl. Amount		Amount Disbursed (PKR)		US\$ Equivalent	Value Date	Acctg Month
NH001	PRS	343,331,979.00	PRS	343,331,979.00	3,317,076.17	10-Dec-15	201512
NH002	PRS	684,153,173.00	PRS	684,153,173.00	6,538,404.75	3-Jun-16	201606
<b>TOTAL</b>				<b>1,027,485,152.00</b>	<b>9,855,480.92</b>		

*M. Khalid Nadeem*  
**AUDIT OFFICER**  
 Dte. General Audit Works  
 (Federal) Islamabad

*Safwan Allah Jan*  
 Dy. Director (Accounts) NH  
 National Highway Authority  
 ISLAMABAD.

*M. R. W.*  
 AD (Accounts) AP

Asain Development Bank  
 For ADB Loan No. 3197-PAK & Grant 0435 : Hassanabdal - Havelian - Mansehra Project  
 (59km) E-35 for Package-III  
 For the Year Ended June, 30, 2016  
 ADB Grant PK-0435

W/App'l No.	Appl. Amount		Amount Disbursed (PKR)		US\$ Equivalent	Value Date	Acctg Month
NH001	PRS	406,791,445.00	PRS	406,791,445.00	3,920,881.40	11-Dec-15	201512
NH002	PRS	810,608,025.00	PRS	810,608,025.00	7,745,896.07	9-Jun-16	201606
<b>TOTAL</b>				<b>1,217,399,470.00</b>	<b>11,666,777.47</b>		

*Handwritten signature*

**AP**  
**AUTHORIZED**  
 Dte. General Works  
 Islamabad

*Handwritten signature*  
 Dy. Director (Accounts) AP  
 National Highway Authority  
 ISLAMABAD.

*Handwritten signature*  
 AD (ACCOUNTS) AP

NATIONAL HIGHWAY AUTHORITY

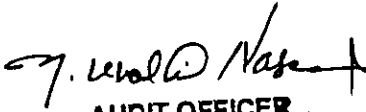
For ADB Loan No. 3197-PAK & Grant 0435 : Hassanabdal - Havelian - Mansehra Project  
(59km) E-35 for Package-III

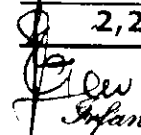
Reconciliation Statement

For the Year Ended June, 30, 2016

(Rs. In Million)

Balance as ADB Documents Confirmation against Loan	1,027.485	
Balance as ADB Documents Confirmation against Grant	1,217.399	
		<u>2,244.884</u>
Booked by NHA Not Appearing in ADB Document		
Expenditure as per withdrawl Application of Loan	1,027.485	
Expenditure as per withdrawl Application of Grant	1,217.399	
		<u>2,244.884</u>

  
AUDIT OFFICER  
Dte. General Audit Works  
(Federal) Islamabad

  
Irfan Ullah Jan  
Dy. Director (Accounts) AP  
National Highway Authority  
ISLAMABAD  
Dy. Director (Accounts)

  
AD (Accounts) AP

**NATIONAL HIGHWAY AUTHORITY**

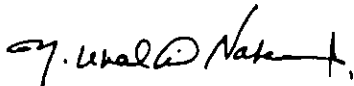
**For ADB Loan No. 3197-PAK and Grant No. 0435: Hassanabdal -  
Havelian - Mansehra Project (59km) E-35 for Package-III  
FOR THE YEAR ENDED 30TH JUNE, 2016**

**1 MANAGEMENT ASSERTION**

The proceeds of the withdrawals of Loan and Grant have been utilized in the manner stipulated in the Loan and Grant Agreement with Asian Development Bank.

**2 ACCOUNTING CONVENTION**

Financial statements have been prepared under historic cost convention in accordance with approved accounting standards

  
**AUDIT OFFICER**  
Dte. General Audit Works  
(Federal) Islamabad

  
**Irfan Ullah Jan**  
Dy. Director (Accounts)

  
AD (Accounts) AP

*Irfan Ullah Jan*  
Dy. Director (Accounts) AP  
National Highway Authority  
ISLAMABAD.